

RESOLUTION NO. 2026-_____

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA, ACTING
AS THE LEGISLATIVE BODY OF THE
COMMUNITY FACILITIES DISTRICT NO. 2003-2
(SERVICES) OF THE CITY OF MERCED,
AUTHORIZING THE ESTABLISHMENT OF AN
ANNUAL SPECIAL TAX FOR SAID DISTRICT
FOR FISCAL YEAR 2026-2027**

WHEREAS, the City Council (the “Legislative Body”) of the City of Merced, California (the “City”) had previously initiated proceedings, held public hearings, conducted elections and received a favorable vote from the qualified electors to authorize the levy of special taxes in and for the Community Facilities District No. 2003-2 (Services) of the City of Merced (the “District”), including Annexation Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, and 29 all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”); and,

WHEREAS, this Legislative Body, by the adoption of Ordinance No. 2144 (the “Ordinance”) as authorized by Section 53340 of the Act, has authorized the levy of such special taxes within the District; and,

WHEREAS, Government Code Section 53340 and the Ordinance specify that this Legislative Body may provide, by resolution, for the levy of the special taxes within the District in the current tax year at the same rates or at lower rates than the maximum rates provided for in the Ordinance levying such special taxes, if such resolution is adopted and a certified list of all parcels subject to the special tax levy, including the amount of the special tax to be levied on each parcel for the current tax year (the “Fiscal Year 2026-2027 Certified List”), is timely filed by the clerk or other official designated by this Legislative Body with the Auditor of the County of Merced (the “County Auditor”); and,

WHEREAS, it is now necessary and appropriate that this Legislative Body levy and collect the special taxes for Fiscal Year 2026-2027 for the purpose specified in the Ordinance by the adoption of a resolution as specified by the Act and Ordinance.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF MERCED, ACTING AS THE LEGISLATIVE BODY OF THE COMMUNITY FACILITIES DISTRICT NO. 2003-2 (SERVICES) OF THE CITY OF MERCED, AS FOLLOWS:

SECTION 1. The above recitals are all true and correct.

SECTION 2. In accordance with the Act and the Ordinance, there is hereby levied upon all parcels within the District, which are not otherwise exempt from taxation under the Act or the Ordinance, the special taxes for Fiscal Year 2026-2027 at the tax rate set forth in Exhibit "A", which rates do not exceed the maximum rates set forth in the Ordinance. After adoption of this Resolution, the District may make any necessary modifications to these special taxes to account for any unforeseen circumstances; provided, however, that any such modifications shall not result in an increase in the tax applicable to a category and can only be made prior to the submission of the Fiscal Year 2026-2027 Certified List to the County Auditor.

SECTION 3. The Finance Officer is hereby authorized and directed to prepare or cause the preparation of the Fiscal Year 2026-2027 Certified List and to submit such list to the County Auditor on or before August 10th or such later date to which the County Auditor may agree.

SECTION 4. The special tax shall be collected in the same manner as ordinary *ad valorem* property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for *ad valorem* taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 5. It is hereby further directed that a certified copy of this Resolution, together with the Certified List for Fiscal Year 2026-2027, also be filed with the County Auditor.

SECTION 6. The County Auditor is hereby directed to enter in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public services, special tax" or by any other suitable designation, the installment of the special tax.

SECTION 7. The County Auditor shall then, at the close of the tax collection period, promptly render to the District a detailed report showing the

amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

SECTION 8. This Resolution shall become effective upon its adoption.

PASSED, APPROVED AND ADOPTED this ___ day of June 2026, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:
MATTHEW SERRATTO, MAYOR

MAYOR

D. SCOTT MCBRIDE, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:
CRAIG J. CORNWELL, CITY ATTORNEY

Craig Cornwell 5-13-2026
City Attorney Date

EXHIBIT A
Fiscal Year 2026-27 Maximum Special Tax Rates
COMMUNITY FACILITIES DISTRICT NO. 2003-2 (SERVICES)
OF THE CITY OF MERCED

	Type of Property					
	Single Family Residential (per Unit)	Multi-Family Residential (per Unit)	Retail (per 1,000 sq.ft.)	Office (per 1,000 sq.ft.)	Industrial (per 1,000 sq.ft.)	Other (per 1,000 sq.ft.)
Area 1	998.00	866.88	116.54	107.44	72.84	116.54
Area 2	1,172.84	981.62	200.32	187.58	123.84	200.32
Area 3	1,079.96	932.44	145.68	138.40	87.40	145.68
Area 4	1,109.10	947.02	162.08	152.98	98.34	162.08
Area 5	890.56	781.28	78.30	67.38	52.80	78.30
Area 6	954.30	863.24	72.84	72.84	40.06	72.84
Area 7	1,276.66	1,092.72	211.24	209.42	122.02	211.24
Area 9	1,171.02	990.72	191.22	180.28	116.54	191.22
Area 10	874.16	777.64	63.74	56.44	41.88	63.74
Area 11	1,161.92	987.08	183.94	174.82	111.08	183.94
Area 12	797.68	730.30	25.48	21.84	18.20	25.48
Area 13	1,079.96	857.78	211.24	182.12	145.68	211.24
Area 14	917.88	783.10	103.80	89.22	72.84	103.80
Area 15	1,149.16	998.00	158.44	156.62	91.06	158.44
Area 16	1,009.56	857.78	135.90	123.54	88.24	135.90
Area 17	931.90	773.06	128.84	107.66	91.76	128.84
Area 18	1,127.82	933.66	194.14	176.48	125.30	194.14
Area 19	764.24	720.10	N/A	N/A	N/A	N/A
Area 20	764.24	720.10	N/A	N/A	N/A	N/A
Area 21	1,219.60	967.20	262.98	234.74	172.96	262.98
Area 22	1,327.26	1,099.58	259.44	247.08	157.08	259.44
Area 23	1,366.10	1,050.16	342.40	307.10	225.90	342.40
Area 24	1,284.90	1,069.58	241.80	229.44	146.48	241.80
Area 25	1,613.18	1,300.78	384.76	368.88	231.20	384.76
Area 26	1,671.44	1,311.38	397.12	379.46	238.26	397.12
Area 27	1,472.00	1,235.48	292.98	289.44	167.66	292.98
Area 28	1,671.44	1,311.38	397.12	379.46	238.26	397.12
Area 29	1,779.10	1,344.92	518.90	478.30	328.28	518.90
Area 30	1,147.24	983.08	171.20	164.14	102.36	171.20
Area 31	303.56	245.32	104.12	109.42	52.94	104.12
Area 32	1,743.80	1,569.06	284.16	319.46	125.30	319.46
Area 33	1,994.42	1,689.08	444.76	458.88	234.74	458.88
Area 34	1,500.24	1,309.62	257.68	268.26	132.36	268.26
Area 35	958.38	845.42	93.54	88.24	58.24	93.54
Area 36	1,023.68	852.48	157.08	137.66	104.12	157.08

EXHIBIT A
Fiscal Year 2026-27 Maximum Special Tax Rates
COMMUNITY FACILITIES DISTRICT NO. 2003-2 (SERVICES)
OF THE CITY OF MERCED

	Type of Property					
	Single Family	Multi-Family				
	Residential (per Unit)	Residential (per Unit)	Retail (per 1,000 sq.ft.)	Office (per 1,000 sq.ft.)	Industrial (per 1,000 sq.ft.)	Other (per 1,000 sq.ft.)
Area 38	7,109.36	6,304.54	1,777.34	2,029.72	760.70	2,029.72
Area 39	1,434.92	1,247.84	243.56	250.62	128.84	250.62
Area 40	1,454.34	1,064.28	425.36	372.40	285.92	425.36
Area 41	2,096.80	1,484.34	732.46	661.86	476.54	732.46
Area 42	1,359.04	1,207.24	197.66	211.78	98.82	211.78
Area 43	6,447.50	5,007.26	2,222.12	2,232.70	1,235.48	2,232.70
Area 44	1,201.94	968.96	241.80	218.84	157.08	241.80
Area 45	1,429.64	1,193.12	284.16	277.10	165.90	284.16
Area 46	1,216.06	1,081.92	158.84	165.90	82.94	165.90
Area 47	891.30	781.88	79.42	68.82	54.70	79.42
Area 48	2,087.98	1,514.36	700.70	638.92	448.30	700.70
Area 49	1,796.74	1,574.36	337.10	361.82	165.90	361.82
Area 50	2,345.66	1,775.56	741.28	702.46	451.82	741.28
Area 51	2,315.66	1,299.02	1,129.58	953.08	796.00	1,129.58
Area 52	2,649.24	2,361.54	543.60	614.20	240.02	614.20
Area 53	1,334.32	1,104.88	264.74	252.38	160.60	264.74

Note: Merced County's property tax is payable in two installments; therefore, the above rates are rounded down to the nearest even cent so it is divisible by two.

	February 2025	February 2026	Percentage Change
National CPI (Urban Wage Earners and Clerical Workers)	312.46	319.422	2.228%
San Francisco CPI (Urban Wage Earners and Clerical Workers)	350.836	356.964	<u>1.747%</u>
Average Escalation to be Applied in Fiscal Year 2026-27			1.987%

Sources: Bureau of Labor Statistics; Goodwin Consulting Group, Inc.

4/30/2026